

House Study Bill 52 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON PAUSTIAN)

A BILL FOR

1 An Act relating to the renewable fuel infrastructure program
2 for retail motor fuel sites, by prohibiting the installation
3 of infrastructure used to store or dispense gasoline
4 incompatible with certain classifications of ethanol
5 blended gasoline, making penalties applicable, and including
6 effective date provisions.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 159A.14, subsection 3, paragraph b, Code
2 2021, is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (5) A statement certifying that on and
4 after January 1, 2021, no infrastructure used to store or
5 dispense gasoline was installed on the retail motor fuel site
6 to be improved that is incompatible with E-15 or E-85.

7 Sec. 2. Section 159A.14, subsection 3, Code 2021, is amended
8 by adding the following new paragraph:

9 NEW PARAGRAPH. c. The person applying to participate in the
10 program has not made an assertion to the department or board
11 that was materially false or misleading.

12 Sec. 3. PRIOR RECEIVED APPLICATIONS. The department of
13 agriculture and land stewardship shall reject any application
14 submitted by a person to participate in the renewable fuel
15 infrastructure program for retail motor fuel sites, as provided
16 in section 159A.14, prior to the effective date of this Act,
17 unless all of the following apply:

18 1. The person signs and delivers to the department a
19 statement certifying that on and after January 1, 2021,
20 no infrastructure used to store or dispense gasoline was
21 installed on the retail motor fuel site to be improved that is
22 incompatible with E-15 or E-85.

23 2. The renewable fuel infrastructure board approves the
24 statement described in subsection 1.

25 Sec. 4. EFFECTIVE DATE. This Act, being deemed of immediate
26 importance, takes effect upon enactment.

27 EXPLANATION

28 The inclusion of this explanation does not constitute agreement with
29 the explanation's substance by the members of the general assembly.

30 BILL'S PROVISIONS. This bill provides that a retail
31 dealer of motor fuel (dealer) applying to the department of
32 agriculture and land stewardship (DALS) to participate in the
33 renewable fuel infrastructure program for retail motor fuel
34 sites (program) must certify that, on and after January 1,
35 2021, no infrastructure was installed that could be used to

1 store or dispense gasoline at a retail motor fuel site (site)
2 incompatible with ethanol blended gasoline classified as E-15
3 or E-85 (Code section 159.14). It also provides that DALs
4 must reject any application to participate in the program
5 submitted prior to the bill's effective date, unless the dealer
6 certifies that no such infrastructure has been so installed.
7 The certification must be approved by the renewable fuel
8 infrastructure board (board). See Code section 159A.13.

9 APPLICABLE CIVIL PENALTY. A participating dealer who acts
10 in violation of an agreement is subject to a civil penalty of
11 not more than \$1,000 per day for each day of the violation. The
12 civil penalty shall be deposited into the general fund of the
13 state (Code section 159A.14(7)).

14 BACKGROUND — ETHANOL BLENDED GASOLINE INFRASTRUCTURE. The
15 program allocates state moneys generally on a cost-share basis
16 to dealers in order to defray costs associated with installing
17 an improvement to a site. The improvements must directly
18 relate to the storage and dispensing of certain classifications
19 of ethanol blended gasoline referred to as E-15 (containing 15
20 percent ethanol) or E-85 (containing between 70 and 85 percent
21 ethanol). See Code sections 159A.12, 214A.1, and 214A.2.

22 BACKGROUND — PROCESS OF APPROVAL. In order to participate
23 in the program, a dealer must submit an application to DALs
24 proposing an improvement to a site. The application must be
25 approved by the board prior to the execution of an agreement
26 by DALs and the dealer. The application contains a statement
27 certifying that the infrastructure will only be used to store
28 and dispense E-15 or E-85 for the term of the agreement (three
29 or five years). See Code section 159A.14(3).

30 EFFECTIVE DATE. The bill takes effect upon enactment.